

Annual Disclosure Report

Beaumont Unified School District
Community Facilities District No. 2018-1
(Improvement Area No. 1)
2020 Special Tax Bonds
\$4,905,000

February 1, 2022

Secondary-Market Disclosure Information
as Required by SEC Rule 15c2-12

Beaumont Unified School District
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SPECIAL DISTRICT FINANCING & ADMINISTRATION

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BEAUMONT UNIFIED SCHOOL DISTRICT

BOARD OF TRUSTEES

Mrs. Susie Lara
President

Mr. Steven Hovey
Vice President

Mr. Shawn Mitchell
Clerk

Mrs. Janelle Poulter
Member

Mr. David Sanchez
Member

ADMINISTRATION

Mrs. Mays Kakish
Superintendent

Mrs. Jennifer Castillo
Assistant Superintendent
Human Resources

Dr. Ebon Brown
Assistant Superintendent
Instruction & Support Services

Mrs. Penni Harbauer
Assistant Superintendent
Business Services

February 1, 2022

RE: SECONDARY MARKET DISCLOSURE INFORMATION AS REQUIRED BY SEC RULE 15c2-12

The attached Report has been produced in accordance with the Continuing Disclosure Certificate executed in connection with the issuance of the **Beaumont Unified School District Community Facilities District No. 2018-1 (Improvement Area No. 1) 2020 Special Tax Bonds** in the principal amount of \$4,905,000.

As a qualified representative of the Beaumont Unified School District, I have reviewed the contents of this Report and certify that to the best of my knowledge the information contained herein is completed and factually correct.

If there are any questions regarding the information provided, please be in contact at (951) 845-1631.

Sincerely,

Penni Harbauer
Assistant Superintendent of Business Services

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Community Facilities District No. 2018-1
(Improvement Area No. 1)
2020 Special Tax Bonds

ISSUER STATEMENT REGARDING REPORT CONTENTS

Data Disclosed in this Report

This Report has been prepared by Special District Financing & Administration (“SDFA”) on behalf of Community Facilities District No. 2018-1 (Improvement Area No. 1) of the Beaumont Unified School District (the “District”) in connection with the issuance of the 2020 Special Tax Bonds in the amount of \$4,905,000 (“the Bonds”). It has been produced in accordance with the Continuing Disclosure Certificate (“CDC”) executed in connection with the issuance of the Bonds. The information included was deemed to be pertinent in evaluating the market value of the securities at the time that the Bonds were issued. It has been prepared solely for the purpose of complying with the requirements of the Continuing Disclosure Certificate. This information is not to be used or referenced for any other purpose without the written consent of the Issuer.

Reliability and Verification of Data

Some of the information contained in this Report may have been provided or compiled by independent third-parties including, in some cases, obligated parties that may have an interest that is in conflict with the interest of potential purchasers of the securities. Additionally, some of the information may have been extracted from data provided and compiled by other entities including the paying agent, property owners, other municipal agencies, the County Assessor, County Auditor and the Treasurer/Tax Collector. SDFA and the Issuer have not independently verified the accuracy of the data provided by such parties and make no representations to its accuracy.

Review of Information

A qualified representative of the Beaumont Unified School District has reviewed the contents of this Report and certifies that to the best of his/her knowledge the information contained herein is factually correct.

Annual Disclosure Report

Beaumont Unified School District
Community Facilities District No. 2018-1
(Improvement Area No. 1)
2020 Special Tax Bonds

SUMMARY OF THE CONTINUING DISCLOSURE CERTIFICATE

The CDC establishes that, for the benefit of bondholders and beneficial owners of the Bonds, the Issuer has agreed to make specific information available and update the information annually. This information is intended to assist current and potential bondholders in making an informed purchase decision. The CDC sets forth the date each year by which information is to be provided; the specific information that must be provided; and the means for making this information available in the market place.

Reporting Dates

The District shall, or, if the Dissemination Agent is other than the District, upon written direction shall cause the Dissemination Agent to, not later than February 1 after the end of the District's Fiscal Year (June 30) commencing with the report due by February 1, 2022, provide to the Repository an Annual Report in an electronic format and accompanied by identifying information as prescribed by the MSRB which is consistent with the requirements of Section 4 of the Disclosure Certificate.

Contents of the Annual Report

In accordance with Section 4, "Content of Annual Reports," of the Continuing Disclosure Certificate, the District's Annual Report shall contain or incorporate by reference the following:

Section

Description

4(a) Financial Statements.

The audited financial statements of the District for the prior fiscal year, if any have been prepared and which, if prepared, shall be prepared in accordance with generally accepted accounting principles as promulgated to apply to government entities from time to time by the Governmental Accounting Standards Board; provided, however, that the District may, from time to time, if required by federal or

state legal requirements, modify the basis upon which its financial statements are prepared. In the event that the District shall modify the basis upon which its financial statements are prepared, the District shall provide information referenced in Section 8 regarding such modification. If the District is preparing audited financial statements and such audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.

4(b) Financial and Operating Data.

The Annual Report shall contain or incorporate by reference the following:

- (i) the principal amount of the Bonds outstanding as of the September 2 preceding the filing of the Annual Report;
- (ii) the balance in each fund under the Indenture and the Reserve Requirement as of the September 30 preceding the filing of the Annual Report;
- (iii) any changes to the RMA with respect to Improvement Area 1 approved or submitted to the qualified electors for approval prior to the filing of the Annual Report;
- (iv) an update of the estimated assessed value-to-lien ratio for Improvement Area No. 1 substantially in the form of Table 4 in the Official Statement based upon the most recent Special Tax levy preceding the date of the Annual Report and on the assessed values of property for the current fiscal year;
- (v) the status of any foreclosure actions being pursued by the District in Improvement Area No. 1 with respect to delinquent Special Taxes;
- (vi) a statement whether Improvement Area No. 1 of the District has been included in the County of Riverside Teeter Plan;
- (vii) a description of the collection and delinquency rate of Special Taxes in Improvement Area No. 1 for the Fiscal Year then ended; and,
- (viii) any information not already included under (i) through (vii) above that the District is required to file in its annual report pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, with the California Debt and Investment Advisory Commission.

Any or all of the items listed above may be included by specific reference to other documents, including official statements of debt issues of the District or related public entities, which have been submitted to EMMA System or the Securities Exchange Commission. If the document included by reference is a final official statement, it must be available from the MSRB through EMMA. The District shall clearly identify each such other document so included by reference.

Dissemination of the Annual Report

Special District Financing & Administration LLC is acting as Dissemination Agent on behalf of the District. The Dissemination Agent is not responsible in any manner for the content of any notice or report prepared by the District pursuant to the Disclosure Certificate.

As required, this Annual Report is being filed electronically with <http://www.emma.msrb.org>.

Annual Disclosure Report

Beaumont Unified School District
Community Facilities District No. 2018-1
(Improvement Area No. 1)
2020 Special Tax Bonds

REPORT SYNOPSIS - MATERIAL CHANGES TO REPORT

The Beaumont Unified School District CFD No. 2018-1 (Improvement Area No. 1) 2020 Special Tax Bonds issued in the amount of \$4,905,000 were delivered on or about October 22, 2020.

There have been no Significant Event filings regarding the 2020 Special Tax Bonds.

Details of all other relevant data are contained within the appendices to this report.

Annual Disclosure Report

Beaumont Unified School District
 Community Facilities District No. 2018-1
 (Improvement Area No. 1)
 2020 Special Tax Bonds

APPENDICES

| Appendix | CDC Section No. | Description |
|----------|------------------------------|--|
| <i>A</i> | <i>4(a)</i> | 2020/21 Audited Financial Statements of the District, if any have been prepared |
| <i>B</i> | <i>4(b)(i-iii, vi, viii)</i> | Outstanding Principal, Fund/Account Balances, Reserve Statement, Changes to Rate and Method of Apportionment, Teeter Plan Statement, Additional Information not already included in this Annual Report contained in CDIAC Filing |
| <i>C</i> | <i>4(b)(iv)</i> | Estimated Assessed Value-to-Lien Ratio |
| <i>D</i> | <i>4(b)(v, vii)</i> | Foreclosure Status / Delinquency History |

***APPENDIX A: 2020/21 Audited Financial Statements of the District
CDC Section 4(a)***

The District does not currently prepare Audited Financial Statements and does not anticipate doing so in the future.

***APPENDIX B: Financial and Operating Data
CDC Section 4(b)(i-iii, vi, viii)***

PRINCIPAL, FUND BALANCES, RESERVE REQUIREMENT, ANY CHANGES TO THE RMA AND TEETER PLAN STATEMENT

CDC Section 4.(b)(i-iii, vi, viii)

(FUND BALANCES/RESERVE REQUIREMENT AS OF DATES NOTED)

- i. Principal amount of the Bonds outstanding as of the September 2nd preceding the filing of the Annual Report:

Principal Outstanding: \$4,905,000.00

- ii. Balance in each fund under the Indenture and the Reserve Requirement as of the September 30th preceding the filing of the Annual Report:

| | |
|------------------------------------|--------------|
| Proceeds Fund: | \$0.00 |
| Special Tax Fund: | \$21,385.77 |
| Interest Account: | \$5.28 |
| Principal Account: | \$0.00 |
| Redemption Account: | \$0.00 |
| Administrative Expense Account: | \$9,947.82 |
| Rebate Fund: | \$0.00 |
| Acquisition and Construction Fund: | \$26,517.50 |
| Cost of Issuance Fund: | \$0.00 |
| Residual Fund: | \$0.00 |
| Reserve Account | \$372,017.07 |

Reserve Requirement:

Per the Bond Indenture the "Reserve Requirement" means that amount as of any date of calculation equal to the lesser of (i) 10% of the initial principal amount of the Bonds and Parity Bonds, if any, (ii) Maximum Annual Debt Service on the then Outstanding Bonds and Parity Bonds, if any, and (iii) 125% of average Annual Debt Service on the then Outstanding Bonds and Parity Bonds, if any, provided, however that the Reserve Requirement shall not increase beyond \$372,015.49, the Reserve Requirement as of the Delivery Date of the Bonds, except upon the issuance of Parity Bonds.

Reserve Account Balance: \$372,017.07

| | |
|---------------------------------------|--------------|
| Reserve Requirement: | \$372,015.49 |
| 10% of the Initial Principal: | \$490,500.00 |
| Maximum Annual Debt Service: | \$395,200.00 |
| 125 % of average Annual Debt Service: | \$376,056.03 |

PRINCIPAL, FUND BALANCES, RESERVE REQUIREMENT, ANY CHANGES TO THE RMA AND TEETER PLAN STATEMENT

CDC Section 4.(b)(i-iii, vi, viii)

(CONTINUED)

- iii. Any changes to the RMA with respect to Improvement Area No. 1 approved or submitted to the qualified electors for approval prior to the filing of the Annual Report:

No changes have been submitted to the qualified electors for approval prior to the filing of this Annual Report.

- vi. A statement whether Improvement Area No. 1 of the District has been included in the County of Riverside Teeter Plan:

The District does not participate in the County of Riverside's Alternative Method of Distribution of Tax Levies and Collections and of Tax Sale Proceeds (the "Teeter Plan"); accordingly, the collection of Special Taxes is subject to

- viii. There is no additional information to include which is not already included under (i) - (vii) that the District is required to file in its annual report pursuant to the provisions of the Mello-Roos Community Facilities Act of 1982, as amended, with the California Debt and Investment Advisory Commission.

***APPENDIX C: Estimated Assessed Value-to-Lien Ratio
CDC Section 4(b)(iv)***

**COMMUNITY FACILITIES DISTRICT NO. 2018-1 IMPROVEMENT AREA NO. 1 OF
THE BEAUMONT UNIFIED SCHOOL DISTRICT
UPDATE OF THE ESTIMATED VALUE TO LIEN RATIOS FOR TAXABLE PARCELS
LEVIED IN THE DISTRICT DURING FISCAL YEAR 2021-22**

| <i>Land Use Classification</i> | <i>Unit Type</i> | <i>Number of Taxable Units/Acres ⁽¹⁾</i> | <i>Fiscal Year 2021-22 Special Tax Levy</i> | <i>Percentage of Fiscal Year 2021-22 Special Tax Levy</i> | <i>Bonds Outstanding ⁽²⁾</i> | <i>Total Assessed Value ⁽³⁾</i> | <i>Estimated Assessed Value-to-Lien Ratio ⁽⁴⁾</i> |
|------------------------------------|------------------|---|---|---|---|--|--|
| 1 - Less than 1,600 sq. ft. | DU | 32 | \$23,669.12 | 9.05% | \$444,022.19 | \$10,591,458.00 | 23.85 |
| 2 - 1,600 sq. ft. to 1,799 sq. ft. | DU | 29 | \$22,373.50 | 8.56% | \$419,716.93 | \$9,893,648.00 | 23.57 |
| 3 - 1,800 sq. ft. to 1,999 sq. ft. | DU | 51 | \$42,160.68 | 16.12% | \$790,915.65 | \$17,860,013.00 | 22.58 |
| 4 - 2,000 sq. ft. to 2,199 sq. ft. | DU | 44 | \$37,027.76 | 14.16% | \$694,624.34 | \$15,553,146.00 | 22.39 |
| 5 - 2,200 sq. ft. to 2,399 sq. ft. | DU | 33 | \$28,260.54 | 10.81% | \$530,155.19 | \$11,730,932.00 | 22.13 |
| 6 - 2,400 sq. ft. to 2,599 sq. ft. | DU | 37 | \$32,824.92 | 12.55% | \$615,780.93 | \$15,737,848.00 | 25.56 |
| 7 - 2,600 sq. ft. to 2,799 sq. ft. | DU | 20 | \$18,358.80 | 7.02% | \$344,402.94 | \$8,609,407.00 | 25.00 |
| 8 - 2,800 sq. ft. to 2,999 sq. ft. | DU | 0 | \$0.00 | 0.00% | \$0.00 | \$0.00 | NA |
| 9 - 3,000 sq. ft. to 3,199 sq. ft. | DU | 27 | \$26,847.18 | 10.27% | \$503,641.18 | \$11,604,431.00 | 23.04 |
| 10 - Greater than 3,199 sq. ft. | DU | 29 | \$29,944.24 | 11.45% | \$561,740.65 | \$12,808,053.00 | 22.80 |
| Undeveloped | Acre | 3.8306 | \$0.00 | 0.00% | \$0.00 | \$769,830.00 | NA |
| Total | | 302 / 3.8306 | \$261,466.74 | 100.00% | \$4,905,000.00 | \$115,158,766.00 | 23.48 |

(1) As of May 1, 2021, 302 building permits have been issued and therefore classified as Developed Property per the RMA.

(2) Reflects CFD No. 2018-1 IA-1 2020 Special Tax Bonds issued; allocation based on the Fiscal Year 2021-22 Special Tax levy.

(3) County of Riverside 2021-22 Assessed Valuation.

(4) Estimated Assessed Value-to-Lien Ratio. Ratio calculated by dividing Total Assessed Value column by the allocated portion of the Bonds Outstanding column.

***APPENDIX D: Foreclosure Status / Delinquency History
CDC Section 4(b)(v, vii)***

**Beaumont Unified School District
Community Facilities District No. 2018-1 (Improvement Area 1)
Special Tax Delinquency History / Foreclosure Actions**

| <i>Fiscal Year</i> | <i>Amount Levied</i> | <i>Parcels Levied</i> | <i>Delinquencies Following Fiscal Year End ⁽¹⁾</i> | | | <i>Delinquencies as of June 30, 2021 ⁽²⁾</i> | | |
|------------------------|----------------------|-----------------------|---|--------------------------|---------------------------|---|--------------------------|---------------------------|
| | | | <i>Parcels Delinquent</i> | <i>Amount Delinquent</i> | <i>Precent Delinquent</i> | <i>Parcels Delinquent</i> | <i>Amount Delinquent</i> | <i>Precent Delinquent</i> |
| 2020-21 | \$214,476.60 | 253 | 0 | \$0.00 | 0.00% | 0 | \$0.00 | 0.00% |
| 2019-20 | \$142,778.58 | 173 | 1 | \$992.46 | 0.70% | 1 | \$992.46 | 0.70% |
| 2018-19 ⁽³⁾ | \$64,322.00 | 79 | 0 | \$0.00 | 0.00% | 0 | \$0.00 | 0.00% |

1) Amount delinquent as of June 30 in the fiscal year in which the Special Taxes were levied.

2) The source for the current amount delinquent is the County of Riverside as of June 30, 2021.

3) The Special Taxes for Fiscal Year 2018-19 were billed directly to the Developer in lieu of application onto the County tax roll due to the date of formation of the District. As a result of an administrative error on the part of the Developer, the 2nd installment of the Special Taxes was not received by the installment due date of April 10, 2019. All Fiscal Year 2018-19 Special Taxes due were received by May 8, 2019. All future Special Taxes are anticipated to be placed on the County roll for billing and, therefore, similar administrative errors are not anticipated for future years.

Foreclosure Actions:

There are currently no foreclosure actions being pursued by the District with respect to delinquent Special Taxes.